

Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SPC-03 SS-15

USIA-15 ACDA-19 IO-13 COME-00 EB-11 LAB-06 SIL-01

AID-20 NIC-01 DRC-01 /164 W
----- 065613

P 112118Z SEP 73

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC PRIORITY 5064

C O N F I D E N T I A L SECTION 1 OF 2 SAN JOSE 3243

E.O. 11652: GDS

TAGS: ELAB, CS

SUBJECT: PTTI INVOLVEMENT WITH SITET
DISPUTE

REF: A) STATE 178731; B) SAN JOSE 3221

1. SUMMARY: THIS TELEGRAM SUGGESTS ADDITIONAL CONSIDERATIONS TO BE TAKEN INTO ACCOUNT IN ANY MEETING THE DEPARTMENT MAY HAVE WITH AIFLD AND PTTI. IT EMPHASIZES THAT THE PROBLEM IS NOT JUST THE TACTICAL ONE OF OUR PROFILE IN THE SITET DISPUTE--THE DIE IS ALREADY CAST ON THAT ONE--BUT THE DEEPER CONCEPTUAL ISSUE WHICH THE SITET SITUATION EXEMPLIFIES, AND THE URGENT NEED TO DEAL WITH IT IF WE ARE TO AVOID FUTURE TROUBLE.

THE STIPEND RECEIVED BY NUNEZ FROM USG FUNDS THROUGH THE AIFLD-ITS GRANT RAISES SPECIFIC QUESTIONS REGARDING THE CREDIBILITY OF ANY CLAIMS ON NON-INTERVENTION IN DOMESTIC LABOR DISPUTES, AND FURTHER ILLUSTRATES THE NEED TO THINK THROUGH THE CONSEQUENCES OF OUR TACTICS. ADDITIONAL INFORMATION ON THE
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USE OF USG FUNDS IN COSTA RICA'S CASE IS

REQUESTED (SEE PARA 7 BELOW). END SUMMARY.

2. I WISH TO MAKE THE FOLLOWING OBSERVATIONS
WITH REGARD TO THE SITET DISPUTE ITSELF:

A) TO DATE NEITHER LOU MOORE NOR THE
EMBASSY HAS BEEN PUBLICLY ACCUSED OF INTER-
VENTION IN THE SITET DISPUTE, ALTHOUGH WE HAVE
HEARD THAT THERE ARE SUCH COMPLAINTS WITHIN
SOME GOVERNMENT CIRCLES. O

I

IT WAUVARIZATION

IS RISING AND WITH IT GENERAL CONCERN ABOUT THE
ROLE OF THE USG IN LABOR MATTERS, LARGELY AS AN
OUTGROWTH MF PAST PERCEPTIONS (SEE REFTTEL B).
THEREFORE, THE POTENTIAL CONTINUES TO EXIST THAT
WE MAY SERIOUSLY ACCUSED OF INTERVENTION IF
THE SITET PROBLEM BLOWS UP.

B) I HAVE NO SPECIFIC COMPLAINT WITH
LOU MOORE. ON THE CONTRARY, HE HAS BEEN AN
EXCELLENT REPRESENTATIVE, BOTH RESPONSIBLE AND
SENSITIVE. INDEED, I APPRECIATE HIS COOPERATION
AND I RESPECT HIS POINTS OF VIEW. IN
POINT OF FACT, MOORE HAS ALREADY PULLED
BACK FROM AN ACTIVE ROLE (SEE SAN JOSE 3039)
AT THIS POINTTK

C) THE PROBLEM IS SIMPLY NOT JUST A
TACTICAL ONE INVOLVING PTTT'S OR MOORE'S
PROFILE IN THIS SPECIFIC CASE. BASICALLY,
THE PROBLEM IS A MUCH DEEPER CONCEPTUAL ONE:
WHAT ARE THE PTTT'S (OR ANY ITS') OPERATING
PREMISES TO BE ? HOW MUCH AND WHAT KIND OF
PARTICIPATION OUGHT THESE INSTITUTIONS TO CARRY
OUT IN ANOTHER COUNTRY'S INTERNAL LABOR AFFAIRS,
AND JUST HOW SPECIFICALLY ACTIVE SHOULD ITS
REPRESENTATIVES BE? INDEED, CAN FOREIGN REPRE-
SENTATIVES OF THE ITS BE RESIDENT IN ANOTHER
COUNTRY AND NOT GET DRAGGED INTO ACTIVE INVOLVE-
MENT IN LABOR AFFAIRS, AND THEREFORE OUGHT THERE
TO BE RESIDENT REPRESENTATIVES? GIVEN THE PER-
CEPTUAL PROBLEMS IN DISTINGUISHING BETWEEN THE
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VARIOUS ITS AND THE USG, IN SHORT, WHAT ARE THE
LIMITS TO PURSUIT OF OTHERWISE ACCEPTABLE
OBJECTIVES? THESE ARE THE THINGS I WAS TRYING
TO GET AT IN SAN JOSE 3021; THESE ARE THINGS
I THINK WE CAN NO LONGER DELAY THINKING THROUGH.
AS FOR SITET, THE DIE IS ALREADY CAST
AND WE WILL SIMPLY HAVE TO MAKE THE BEST
OF IT DEPENDING ON WHAT HAPPENS (BUT

SEE PARA 3 BELOW).

3. I WAS CONCERNED TO LEARN THAT NUNEZ RECEIVES A STIPEND FROM USG FUNDS (REFTEL A). WE WERE NOT AWARE OF THIS AND LOU MOORE EITHER DID NOT KNOW MR DID NOT TELL ME IN OUR CONVERSATION WHEN HE APPRISED ME OF THE CWA GRANT. IF THE SITET SITUATION BLOWS UP, WE SHOULD NOT KID OURSELVES THAT THE FACT THAT NUNEZ, A KEY FIGURE, RECEIVED A MONTHLY FEE OR SALARY FROM USG FUNDS WILL BE SEEN BY COSTA RICANS AS ANYTHING ELSE BUT OUTRIGHT INTERVENTION. NO EXPLANATION OF CIRCUITOUS ROUTING (FROM WORLD AID GRANT TO AIFLD TO PTTI) AND NO DISTINCTIN THAT THE MONEY IS FOR TRAINING OR TECHNICAL ASSISTANCE SERVICES IS GOING TO BE APPRECIATED OR EVEN FOUND VERY CREDULOUS HERE. NO ARGUMENT THAT THE PTTI IS AN INTERNATIONAL ORGANIZATION NOT UNDER USG CONTROL IS GOING TO BE VERY CREDIBLE IF USG FUNDS CHANNEL THROUGH IT FOR THESE PURPOSES. THEREFORE, AS A PRACTICAL MATTER, WHATEVER THE ORIGINAL INTENTION AND HOWEVER GOOD THE OBJECTIVE IN THE ABSTRACT, THIS SITUATION INCREASES OUR PROBLEMS AND HAS AN IMPACT ON OVERALL US-COSTA RICAN RELATIONS. THIS AGAIN UNDERSCORES THE POINT THAT WHAT IS REALLY AT ISSUE HERE IS THE DEEPER CONCEPTUAL PROBLEM.

4. THERE ARE SEVERAL LAYERS TO THIS GENERIC PROBLEM, AND I THINK IT IMPORTANT--AND URGENT--TO SEPARATE THEM OUT AND EXAMINE THEM:
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A) THERE IS FIRST THE ITS THEMSELVES--WHAT THEIR ROLE SHOULD BE, GIVEN BOTH THEIR INDEPENDENT, INTERNATIONAL STATUS AND THEIR RELATION WITH THE USG. THESE, AS I NOTED, ARE THE POINTS I RAISED IN SAN JOSE 3121.
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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

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P 112118Z SEP 73

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC PRIORITY 5065

C O N F I D E N T I A L SECTION 2 OF 2 SAN JOSE 3243

B) REFTEL A HIGHLIGHTS A MORE SPECIFIC
ISSUE FOR US:
WHAT ROLE SHOULD THE USG PLAY
IN ANOTHER COUNTRY'S LABOR AFFAIRS, AND WHAT
OBJECTIVES CAN THE USG VALIDLY SEEK WITH
REFERENCE TO ANOTHER COUNTRY'S LABOR STRUCTURE
AND WITH WHAT TACTICS CAN IT LEGITIMATELY PURSUE
THEM? WHAT ARE OUR CURRENT NATIONAL SECURITY
OR OTHER PREMISES THAT UNDERPIN OUR APPROACH
TO THIS ISSUE AND HOW VALID ARE THEY?

C) THERE IS OBVIOUSLY A CLOSE AND CONSTANT
INTERACTION BETWEEN THE ESTABLISHMENT OF AN
OBJECTIVE AND THE COSTS OF REACHING IT. IF
THE LATTER ARE HIGH, THE OBJECTIVE MAY HAVE TO
BE REFORMULATED, LIMITED, REFINED, ETC. ONE
CANNOT MERELY ESTABLISH A GOAL BECAUSE IT IS
GOOD IN THE ABSTRACT AND THEN PURSUE IT COME
WHAT MAY. THIS RAISES THE VERY SPECIFIC
DIMENSION OF HOW THE US CARRIES OUT ITS PUR-
POSES. SHOULD THE USG BE INVOLVED, FOR
EXAMPLE, IN LOCAL LABOR ORGANIZING AND
THEREFORE ULTIMATELY BE ACTIVE IN COLLECTIVE
BARGAINING AND LABOR DISPUTES? IS THERE A
DIFFERENCE BETWEEN EDUCATIONAL/TRAINING
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ACTIVITY AND ORGANIZING/OPERATIONAL
ADVICE AND CAN WE MAKE CREDIBLE A
DISTINCTION THAT WE ARE ENGAGING IN ONE

AND NOT THE OTHER? IT IS IN THIS SENSE
THAT THE NUNEZ STIPEND WITH ITS CON-
CEPTUAL QUESTION OF WHETHER USG FUNDS OUGHT
59 ?3 7 3\$ 59 0-6 -)-483 *94 -:58;3)-?94
9**8;8-) - \$8 58;5 *49. 54-8,34 . CAN
WE PAY SALARIES IN THIS WAY AND NOT GET
ACCUSED OF ACTIVE INVOLVEMENT? CAN WE
SERIOUSLY ARGUE THAT WE CAN ESCAPE
RESPONSIBILITY FOR INTERVENTION BY ROUTING
MOENY CIRCUITOUSLY THROUGH GRANTS AND
OTHER ENTITIES?

5. TO A LARGE DEGREE THESE QUESTIONS NEED
TO BE ANSWERED IN NATIONAL CONTEXTS. IN
COSTA RICA THE PROBLEM IS COMPLICATED BY
THE FACT THAT THE GOVERNMENT, THROUGH
AUTONOMOUS INSTITUTIONS, IS THE LARGEST
EMPLOYER, AND THE ITS RELATIONSHIPS ARE
WITH UNIONS IN PUBLIC SERVICES AND WITH
GOVERNMENT INSTITUTIONS. AS FAR AS COSTA
RICA IS CONCERNED I BELIEVE WE CAN LIVE
WITH USG IDENTIFICATION WITH LABOR EDUCATION
AND TRAINING ACTIVITIES. BUT I DO NOT BELIEVE
THE USG SHOULD BE INVOLVED IN LOCAL LABOR
OPERATIONS OR IN LOCAL LABOR DISPUTES. YET
I DO NOT SEE HOW IT CAN AVOID BEING INVOLVED,
OR UNACCEPTABLY ACCUSED, IF USG FUNDS ARE
USED TO PAY STIPENDS OR FEES TO ACTIVE LABOR
LEADERS, AS DISTINCT FROM TRAINING ACTIVITIES.
HERE AGAIN WHERE THE LIMITS ON WHAT WE DO ARE
SET, HOW WE USE USG FUNDS, FOR WHAT PURPOSES
AND WITH WHAT DISTINCTIONS, ARE ALL VERY CRUCIAL
MATTERS. I THINK WE HAVE TO BE RIGOROUS AND
CANDID IN OUR ANALYSIS AND ASSESSMENTS, AND NOT
DECEIVE OURSELVES WITH RHETORICAL FORMULATIONS
OR CIRCUITOUS ADMINISTRATIVE ARRANGEMENTS.
WE SIMPLY CANNOT, LIKE HUMPTY DUMPTY, DECLARE
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THAT REALITY IS JUST WHAT WE SAY IT IS
AND NOTHING ELSE;

6. PARA 5 REFTTEL B DESCRIBES THE POSITION
I HAVE FELT FORCED TO EXPLAIN TO INTERESTED
PEOPLE AS A RESULT OF RECENT ACCUSATIONS.
THIS IS MY UNDERSTANDING OF OUR LABOR
SITUATION HERE, WHAT I HAVE SINCERELY
BELIEVED POLICY TO BE AND CERTAINLY WHAT
IT MUST AND OUGHT TO BE..I THINK WE HAVE A
SERIOUS PROBLEM WITH OOOSE PRINCIPLES OR UNDER-

CUTS THEIR CREDIBILITY.

7. ACTION REQUESTED: BEFORE I MAKE ANY FURTHER REQUESTS AND RECOMMENDATIONS I ASK THAT I BE INFORMED URGENTLY OF THE FOLLOWING:

A) WHAT ARE THE PRECISE TERMS AND SCOPE OF THE AIFLD-ITS GRANT? MY UNDERSTANDING WAS THAT IT WAS INTENDED BASICALLY ONLY TO FUND EDUCATIONAL AND TECHNICAL ASSISTANCE ACTIVITY. DOES IT ALSO PERMIT THE FUNDING OF ORGANIZING ACTIVITY AND SALARY SUBSIDIES TO FOREIGN LABOR LEADERS? IF SO, ON WHAT SPECIFIC RATIONALE?

B) WHAT OTHER COSTA RICAN LABOR LEADERS RECEIVE SUBSIDIES, FEES OR STIPENDS FROM USG FUNDS, HOWEVER CIRCUITOUSLY DERIVED, I.E. THROUGH AIFLD, AUDS, ETC.

C WE REALIZE THAT ONLY PTTI HAS A REPRESENTATIVE HERE, BUT WHAT IS THE SCOPE OF WORK OF OTHER ITS' IN COSTA RICA? DO THEY CHANNEL USG FUNDS IN?

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